

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

Low Income Home Energy Assistance Program Operations

PY2016 Fall Training

August 2015

Presented by L.W. Gates

DEPARTMENT OF ENERGY PROGRAMS

IHCDA EAP STAFF

Chief Community Programs Officer
Donna Billiard Wright- dowright@ihcda.in.gov

Community Programs Manager (manages daily operations)
Lynell Westbrook Gates- lwesbrook@ihcda.in.gov

Community Programs Monitor (monitoring and compliance)
Steve St. John – sstjohn@ihcda.in.gov

Community Programs Analyst (EAP&CSBG service delivery plans, allocations, State Plan)
Veda Morris-May – vmorrismay@ihcda.in.gov

Community Programs Specialist- (vendor MOUs, contracts, amendments, budget modifications, customer service inquiries, RIAA support)
Lindsay Obrien- lobrien@ihcda.in.gov

EAP Monitoring Consultants- Engaging Solutions

EAP FUNDING

- Budget Proposals
 - President's 2015 budget proposed funding \$3.3B for LIHEAP, after sequestration that decreased to \$3.05B
- Funding Scenario
 - Indiana received \$75.7M (level from FY2015)
 - If no funds are available on 10/1, estimated release of \$20M for EAP and Wx
 - Indiana allocated \$3.8M for this year's State EAP program, anticipate similar funding for next PY
- Timeline to Release Funds
 - Contracts out by 10/1
 - Amended as funds are released and available
- Expected Budget Issues
 - Right there is a bill with the Senate Appropriations Committee for FY2016 LIHEAP funds to be \$3.39B
 - House and Senate formulas have different formulas, this is \$25 million more than the House proposed
 - May be a continuing resolution (CR) at the start of the season
 - Potential impact if the proposed budgets exceed limits set in the Budget Control Act

FUNDING IN REVIEW

Year	Block Grant Funding	Funding Received	Households Served	Avg Benefit Amt
2012	3.47 billion	79.9 million 1.1 million in state funds	134,166 2,307 from state funds	\$233 \$261.82
2013	3.29 billion	74 million	132,166	\$292
2014	3.42 billion	75.8 million	130,500	\$322
2015	3.05 billion	75.7 million	To Date 117,892	\$286

STATE ENERGY ASSISTANCE PROGRAM

- The program was given \$3.8M from the Attorney General's Office.
- Benefits are distributed to **homeowners only**, per legislation.

State EAP Program Stats

State EAP Heating Assistance	38,408 households served
Funds Obligated	\$2.3M
Benefit Amount	\$60

State EAP Crisis Assistance	2,467 households served
Funds Obligated	\$411,249
Benefit Amount (average)	\$167

- State EAP Crisis # of households served is about the same but the average benefit was higher. More homeowners needing second benefit.
- Agencies were able to extend two (2) crisis benefits to homeowners- one during the winter and one after moratorium ended.

FY 2016 STATE EAP FUNDING

Estimated Budget: \$3.5M

Winter Season Assistance – No change

- \$60 in Regular Assistance- toward the primary heating source
- Up to \$150 in Crisis Assistance at the time of initial application
- If the benefit is not distributed in the winter due to ineligibility, it may be distributed during the summer months to the primary heating source

Post- Moratorium Assistance

- March 16, 2016 to August 12, 2016
- Homeowners in crisis (with a disconnect notice) may receive one additional crisis benefit up to \$150
- Benefit may be distributed to the heating or electric source

Weatherization Deferral Assistance

- A portion of the funds will continue to assist with Healthy Homes-related issues in Weatherization.
- These funds will target decreasing the weatherization deferral rate.
- The program was piloted during PY2015

FY2016 BENEFIT AMOUNT

- Price per point will remain \$20
- Restore the Electric Benefit to \$75
- New Regional Differentials
 - \$15-North
 - \$10-Central
 - \$5-South
- New max benefit amount will be \$410 (N), \$405 (C), \$395 (S)
- Assurance 16- Energy Education & Family Development
- Summer Fan Program Returns (Proposed for PY2017)

WATER USP (CITIZENS GAS ONLY)

- IHCDa will partner with Citizen Energy Group (CEG) to establish a client base for water bill discounts that may begin in Summer of 2016.
- The discount will be based on the amount of usage per household and number of household members reported.
- LSPs will track information in RIAA at intake.
- CEG is in its application stage for the Water USP, however if approved the program will begin immediately and use RIAA data to apply discounts to households.
- It will be important that LSPs outreach materials, application checklists and posting encourage applicants to bring their water bill.

WATER USP



PO Box 7056 | Indianapolis, IN | 46207-7056

Daffy Duck
3503 Golden Pond
INDIANAPOLIS IN 46218-1340



Account Number
111111-222222

Payment Due Date
08/15/15

Amount to be paid by 08/15/15	76.73
Amount to be paid after 08/15/15	79.15

CUSTOMER MESSAGES

We apologize for the need to estimate your consumption this month. Obtaining actual reads is our goal, but occasionally we are unable to read meters due to weather conditions or meter access.

013

Account Summary

Billing for: 3503 Golden Pond
Service Class: Residential
Date Billed: 07/28/15

Account Balance of Last Bill.....	\$75.90
Payment(s) Received.....Thank You	75.90 CR
Total Balance from Previous Bill.....	0.00

Current Period Charges

Gas Charges	17.15
Sales Tax	1.19

Historical Information

Gas Consumption Information



Meter Number	Days of Service	Previous Read	Current Read	Consumption CCF	Therms
330279	29	06/23/15	07/22/15	6	6
		4982 Actual	Est.		

Next Meter Read Date: 08/21/15 BTU Factor: 1.036

Water Consumption Information



Indiana Housing & Community Development Authority

QUESTIONS

2016 EAP PROGRAM CALENDAR

MAIL APPLICATIONS

September 1

*Service Delivery Plan Due on September 7

SCHEDULE APPOINTMENTS

October 1

WINTER ASSISTANCE PROGRAM

November 2- May 13

SUMMER COOLING PROGRAM

June 6- August 12

STATE EAP FUNDS

October 1 – September 30

EAP STATE PLAN

- Will be submitted on September 1st
- Available for public comment August 1st thru August 16th
- Public hearing held on August 17th
- Format adopted last year that seeks to provide consistent and uniform reporting across states.
 - Drop downs that include multiple choice answers
 - There are brief narratives that cover performance measures, monitoring and compliance and crisis procedures for our State
 - Required annually now
- Written comments can be sent to IHCDa at:

Community Programs Manager - EAP
30 South Meridian Street, Ste. 1000
Indianapolis, IN. 46204

MEMORANDA OF UNDERSTANDING

- The annual MOU has been revamped
- Beginning PY2017, IHCDCA will roll out its online MOU completion process to allow utility vendors to submit ACH information online, however an MOU signature must be on file, therefore a hard copy must be mailed or delivered to IHCDCA.
- The new MOU year is valid from October 1, 2015 through September 30, 2016
- IHCDCA will make an effort to contact all active vendors from the previous year (2014-2015) either by e-mail or by mail.
- More vendors received email than paper mail, an increase from last year
- Vendors will now be subject to monitoring (randomly)

MEMORANDA OF UNDERSTANDING

- After our initial mailing, the responsibility for giving out MOU Packages to your new vendors falls to your agency.
 - Please, please **do not sign** the agreement for the vendor in any area in an effort to help them. This is an agreement between IHCDa and the vendor. I will return all MOUs to your agency that appears to have been signed by one of your staff.
- Please remember that if an MOU comes to IHCDa and is incomplete the MOU cannot be approved and entered into our system. The most common errors are: the MOU is not executed and dated by the **VENDOR**, the W9 is missing or not signed, or the ACH is missing or incomplete.

If you have MOU or vendor questions, you may contact me at 317-234-7571 or lobrien@ihcda.in.gov.

MEMORANDA OF UNDERSTANDING

The following items have been updated in the MOU:

9. Refund. A refund occurs when a benefit was paid, but the account closed and left a credit. If a monthly payment to Vendor exceeds the amount of money owed Vendor for a client for such month, Vendor shall apply the overpayment to the client's account for the following month(s), as a credit as long as the client has active service with the Vendor. If the client does not receive Services in the following month, Vendor is to make a reasonable effort to distribute the funds to the client. If Vendor is unable to locate client, Vendor shall issue IHCD A a check for the amount of overpayment, along with the **agency name, client name, and transmittal number**. Funds will be returned to IHCD A within sixty (60) days of completing this process. **Refunds and overpayments must be submitted on separate checks.**

MEMORANDA OF UNDERSTANDING

10. Overpayment. An overpayment occurs when the Local Service Provider or IHCDa reviews a file and finds that the client of record has received more assistance than he or she is eligible to receive. Overpayments are not owed to the client, nor should they be added into the Local Service Provider's budget. The funds should be removed from the client's account and returned to IHCDa. To collect these funds, the Local Service Provider must submit an overpayment remittance in RIAA (formerly negative transmittal) as notification for payment. The Vendor must send the payment, along with the remittance to IHCDa. Refunds and overpayments must be submitted on separate checks.

MEMORANDA OF UNDERSTANDING

15. Use of Limiters and/or Meters by Vendor. (PY2015)

Pursuant to IC 8-1-2-121, between December 1 and March 15 of any year, EAP clients are protected from disconnection or termination of their residential gas or electric service by a municipally owned, privately owned, or cooperatively owned utility, as stated in Clause 14. Vendors who are classified as municipally owned, privately owned, or cooperatively owned are considered “regulated utilities” under the Low Income Home Energy Assistance Program for Indiana. The language contained in the Indiana Code does not limit moratorium protection based on the method that the regulated utility uses to provide electric or gas service. **Therefore, vendors who render service using limiters, meters and prepaid services must provide moratorium protection to EAP clients as prescribed in IC 8-1-2-121 and the annual EAP memoranda of understanding.**

- IURC Letter of Opinion Issued November 2014, stating that pre-paid agreements were included and are protected. Vendors could not add language conflicting with Indiana Code.

MEMORANDA OF UNDERSTANDING

18. Vendor Monitoring. Vendor must cooperate with any IHCDa requests to monitor its records as part of IHCDa internal controls. Monitoring will include but is not limited to, verification of benefit application to client accounts, return of funds process and moratorium compliance.

- Likely will be implemented PY2017
- HHS Requirement
- Review any terms of MOU compliance
- Vendor will be selected as part of a random sample and will not be subject to annual monitoring unless there are compliance issues

MEMORANDA OF UNDERSTANDING

ATTACHMENT D

REQUEST FOR WAIVER OF DIRECT DEPOSIT REQUIREMENT (Check)

.....

- 1) The person/business does not currently have a savings or checking account and is unable to establish such an account within the person's geographic area or business' geographic area of the primary business location, without payment of a service fee; and
- 2) Submitted with this waiver request is a written statement from person's or business' financial institution of the inability to establish an account without the payment of a fee.

MORATORIUM PROTECTION REVIEW

Legal Authority: Indiana Code 8-1-2-121 (became effective in 1983)

Purpose: Prevents the termination of residential utility service to any customer who is eligible for and has applied for the Energy Assistance Program

Protection Period: December 1 to March 15

Client's Qualifications for Protection:

- The customer has submitted a complete application and eligibility is being determined by the local CAA or their subcontractor on or after October 1.
- The customer has furnished proof to the utility provider of his/her application to receive such benefits, or IHCD, the local CAA or the CAA's subcontractor has notified the utility in writing.
- **The customer must have active service on December 1 AND an account in good standing.**

MORATORIUM PROTECTION REVIEW

Scenario #1: Rosa C. applies for EAP at her local office on November 13, 2015. She has a complete application in and her bill is in disconnect, due to be turned off on November 27, 2015. She is approved for EAP, but needs to pay \$67.50 in order for her account to remain on once the EAP is applied. She pays \$67.50, her EAP benefit covers the \$300 balance and her account is no longer in disconnect as of November 20, 2015.

Rosa's next billing date is November 28, 2015 and her bill is due on December 10, 2015. Will Rosa be protected by Moratorium if she does not pay her November 28, 2015 bill?

MORATORIUM PROTECTION REVIEW

Scenario #2: Robert T. completes his EAP appointment on November 3, 2015. His application is approved and his EAP benefit is \$265.00, but does not cover his entire balance. Robert's next billing date is November 25, 2015 and is a disconnect notice for December 2, 2015 if not paid in full.

Can his energy company turn him off on December 2, 2015?

DISCONNECTION PRIOR TO DECEMBER 1

- If a utility has negotiated a payment arrangement with a client who has qualified for EAP and that client violates that payment arrangement before Dec. 1, the utility has the right to disconnect that client prior to December 1, as that client is not yet protected by the moratorium.
- If the same client has active service and is in good standing (not in disconnect) as of December 1, the utility may not disconnect that client until March 16.

BENEFIT REFUSAL

- A utility vendor may refuse an EAP benefit at any time during the heating season.
- Benefit refusal **does not** prevent moratorium protection.
- A client who has submitted a complete application and is being deemed or has been deemed EAP eligible and has active service on December 1 will receive moratorium protection through March 15.

ACCOUNT REFUSAL

- Vendors may require a deposit or prepayment agreement from a client prior to the set up of an account
- LSPs should NOT pledge any benefits by phone if the account is not set up yet, once the client has brought proof of deposit payment or account activation then a pledge can be made

PROTECTION WITHOUT BENEFITS

- Once the household has submitted an application and has been deemed or is being deemed eligible for the EAP benefit, the client is protected under the moratorium, whether a benefit has been received or not.
- Clients deemed eligible for EAP, but do not have a benefit due to insufficient program funds, will be placed in a HOLD status.
- All clients deemed eligible, but in this HOLD status, will be placed on a report. That report will be submitted to the utility vendors to ensure moratorium protection.

QUESTIONS

COMMUNITY PROGRAMS REPORT

Released PY2014 and sought to provide an overview of compliance concerns across EAP, WAP and CSBG.

This information was gleaned from monitoring reports, agency feedback, surveys and QIPs.

From this report; EAP Benchmarks were adopted within LSPs contracts called **Performance Benchmarks.**

Additionally, LSPs 30% file monitoring was tracked as a target to reduce the statewide error rate.

STATE OF COMMUNITY PROGRAMS REPORT

Performance Benchmarks

Performance Benchmarks for LIHEAP are derived from obligation rates set forth in annual agreements, internal quality assurance percentages, basic eligibility requirements, and error rates from annual compliance reviews. These benchmarks ensure effective service delivery and administrative compliance.

STATE OF COMMUNITY PROGRAMS REPORT

According to your annual grant agreement, each local service provider is required to obligate funds according to the following benchmarks. These rates are based on historical trends of the last three program years:

- Obligating forty-five percent (45%) of the Grantee's LIHEAP funding under this Agreement by December of the program year;
- Obligating sixty percent (60%) of the Grantee's LIHEAP funding under this Agreement by February of the program year; and
- Obligating seventy-five percent (75%) of the Grantee's LIHEAP funding under this Agreement by April of the program year.

Failure to meet these performance benchmarks may result in a reduction of your allocation during that program year. Those funds may be reallocated to other agencies that have met or exceeded the benchmark.

STATE OF COMMUNITY PROGRAMS REPORT

According to the annual EAP Program Operations Manual, local service providers are required to internally review at least 30 percent of the client eligibility files each program year.

According to the annual EAP Program Operations Manual, local service providers are required to have an error rate of no more than 14 percent of the files reviewed by IHCD. This 14 percent encompasses findings and concerns. Failure to comply with the error will prompt a request for a quality improvement plan- either modified or full service.

Each subgrantee must ensure accurate fiscal reporting and maintain all records at least three years after the successful closeout of the program year.

THE RESULTS ARE IN

- Engaging Solutions conducted monitoring visits for each LSPs and reviewed the following:
 1. Performance Benchmarks
 2. Fiscal Compliance
 3. Eligibility Determination Compliance
 4. Quality Assurance Review Check

THE RESULTS ARE IN

- # of agencies who met all performance benchmarks
- # of agencies who met at least 80% of performance benchmarks
- # of agencies with an error rate of less than 10%
- # of agencies who met 100% of its 30% QA requirements by May 15

QUESTIONS

PY2015 POLICY UPDATES

Technology purchases were added as a line item within the budget.

Agencies were required to get prior approval and to follow procurement procedures when purchasing equipment over \$5,000

Note: Request should always be formal and come from the Executive Director or staff designated as signature.

Note: IHCDa has its own procurement requirements for its LSPs located in its contracts. Staff should follow its agency's fiscal policy which outlines the agency and state requirements.

PY2015 POLICY UPDATES

Line Item	Budgeted Amount	Expended through 5/31/	Carryover Amount	Exceeded allowable %
Eligibility				
Program Support				
Family Development				
Energy Education				
Regular				
Crisis Assistance				
Technology				

SUMMER COOL

Unspent funds are recaptured and reallocated for both LIHEAP (LI) and State EAP (IR) for the purpose of serving at least all households served during the Winter Heating Assistance period.

Carryover projections are very crucial and help the State to determine the benefit level statewide.

There will always be more funding allocated, upon request, if there is funding available.

The number of households is on the decline, therefore funding levels been higher for regular assistance.

The need for homeowner funds (State EAP) has increased as agencies are getting better at locating those in need of assistance. Funds here were also reallocated.

MANUAL UPDATES PY2016

101 EAP OPERATING DATES

Heating Assistance Program will begin November 2, 2015 and end on May 13, 2016

September 7, 2015

Approved applications may be entered into the RIAA

October 1, 2015

Mail-in applications can be sent to “at-risk” households.

November 2, 2015

Statewide start of the Heating Assistance Program; Agencies should schedule daily appointments as part of their intake process. Transmittals can be sent. Applicant notifications letters can be sent to clients.

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101 EAP OPERATING DATES

May 13, 2016

End of Heating Assistance program statewide. LSPs no longer accept applications.

May 27, 2016

All incomplete applications must be fully processed by this date.

The statewide Summer Cooling Assistance Program for PY 2016 may operate beginning **June 6, 2016** and end on **August 12, 2016**. If funds are available or IHCD seeks summer assistance alternatives.

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101 EAP OPERATING DATES

June 6, 2016

Provide Summer Cooling Assistance Program, Update Service Delivery Plan, accept new applications for only A/C units only

July 1, 2016

LSPs may take applications from new households (not receiving heating assistance), if funding is available. Households that were deemed ineligible prior to May 13, 2016 may reapply as walk-in applicants

August 12, 2016

End of Summer Cooling Assistance Program, LSPs may no longer accept new applications

September 30, 2016

Last day to submit transmittals to IHCD
Last day to use State EAP funds

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104 INCOMPLETE APPLICATIONS

An application is considered incomplete if the household has failed to provide all documentation necessary to complete the client eligibility review. LSPs **must** enter incomplete applications into the RIAA database. This is a new requirement beginning PY2016. The LSP must also maintain an electronic copy of the application as a backup outside of the RIAA system. Hard copies are no longer required. The household should receive a letter identifying items that need to be submitted to complete the application and include a timeline for submission.

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104 INCOMPLETE APPLICATIONS

The letter should indicate that the file will be denied if the items are not submitted within 10-30 days based upon the LSPs policies. **Applicants must submit a new application, with updated income information if their application is incomplete for more than 60 days.**

IHCDA Recommendation: At the end of the heating season, LSPs should change the application status to “denied” since the application was not processed. To keep track of incomplete applications, the LSP should run the Application Status Report in RIAA (See § 1400).

IHCDA Recommendation: LSP should use the Application Notes within RIAA to assist with Quality Assurance (QA) reviews and monitoring.

MANUAL UPDATES PY2016

105 DENIED APPLICATIONS

If upon completion of the EAP application, a household is found to be over the income guidelines or does not meet other criteria of the Energy Assistance Program, the household is ineligible for EAP benefits. Within ten (10) working days of completing the application, an ineligible household must be notified in writing of the reason(s) for their denial and advised of the right to appeal the decision. Mailed applications must be notified of denial within sixty (60) days of receipt.

MANUAL UPDATES PY2016

105 DENIED APPLICATIONS

The "**Applicant Denial Letter**" form (Appendix BB) must be used to notify the applicant of their denial. LSPs must retain documentation of the household's ineligibility and appeal rights notification, in the client's files. LSPs should retain a copy of the in denied application, at least until the monitoring review has been completed.

An application may be denied for any of the following reason, but not limited to:

Household is over income

Household does not meet all eligibility criteria

Household failed to submit required documents to complete eligibility process

MANUAL UPDATES PY2016

105 DENIED APPLICATIONS

If there is an appeal, the first appeal is to the LSP then to IHCD for a final decision, if needed (See § 1102.1)

Applicants may submit a new application and required documentation 60 days from the initial application date.

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108.2 Moratorium Qualifications

Any household who has qualified for EAP on or after October 1 cannot have its service disconnected between December 1 and March 15. A “qualified” household is defined as a household that has submitted a complete application to its local LSP or designee, and a staff person at the agency has determined or is determining that eligibility meets the program requirements based on household income, number of household members, and utility bills. **The household must also have an account in good standing, which is defined as not in disconnect status on December 1.** (See Section 701 for all of the components of a complete application.)

Simply submitting an application does not automatically make a household eligible. If the local LSP does not have sufficient resources to conduct an eligibility review, then the household is not protected.

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202.9 Energy Education

Households who participate in this program should have an approved EAP application. Energy education can be provided in person, virtually or via mail. Each agency should document the completion of the energy education process and administering an assessment or survey subsequent to the process. The surveys serve as documentation (clients must sign and date) and should be maintained with the client's file. To preserve client confidentiality, sign-in-sheets should not be used (see § 701.1).

For energy education, the agency can budget \$25 per person receiving services.

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203.3 Inoperable Heating Source

If the heating source for which the home is designed is not operable either due to disconnection or mechanical failure, the regular benefit should not be provided to the applicant, even if they are heating with electric space heaters or other unsafe alternatives. The client is eligible for the electric credit only.

In these instances, the client may not waive the heating benefit in order to receive a larger electric benefit. **If the heating source is later deemed operable, during the program year, the client may return for the regular benefit for which they qualified.**

IHCDA Recommendation: Client file should document the conditions that made it operable.

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207 BENEFIT REFUNDS

A refund occurs because a benefit was paid, but the account closed and left a credit. This money is due back to the client from the utility vendor. Utility vendor should make a reasonable effort to return the funds to the client. If the vendor is unable to locate the client within 60 days, the vendor shall issue IHCD a refund check for the amount of overpayment along with the name, agency names, last known address and transmittal number.

If the refund is returned to IHCD, properly documented, a Refund Request Form should be completed by the client and submitted to IHCD within 90 days. IHCD will return the funds to the new vendor OR to the client.

- Copy of Photo ID
- or notarized form
- Award letter

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301.1 Social Security

A Social Security number (SSN) is required for all persons in the household age one (1) and older. **Individuals that do not have or refuse to furnish a SSN are considered an ineligible household member** See 301.2).

When a household member exists and cannot provide the intake worker with an SSN at time of application: Enter the household member, fill the space with nines or zeros, and leave the application in pending status until the SSN is verified or the individual becomes classified as an ineligible household member. The web site for the SSN application form and instructions for applying for a new social security number can be found at: <http://www.ssa.gov/online/forms.html> (Form SS-5 Application for a Social Security Card).

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301.2 Mixed Household Applicants (eligible & ineligible)

LSPs should not deter or deny eligible applicants who may reside with ineligible individuals from applying for assistance. An applicant does not need to be an eligible member of a household, but should be of legal age to apply on behalf of those members of the household who are eligible. Accordingly, an applicant can be either an eligible applicant (able to receive EAP benefits) or an ineligible applicant (unable to receive EAP benefits but applying for the eligible members) household member.

Exclude the ineligible household member from the total number of household members (total household size) when calculating the benefit amount

Count the income of the ineligible household member when determining the total household income eligibility (income of all household members-regardless of eligibility must be documented)

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304.14 **Joint Custody**

Court documentation may indicate that both parents share legal custody of one or more children as part of the divorce decree. EAP guidelines only allow for a child to be claimed in one household, with this exception. Therefore, the benefit can be split for odd number(s) of children. However, if multiple children are involved (even numbers); the parents should each claim different children

MANUAL UPDATES PY2016

NOTE:

Agencies DO NOT need to verify the whereabouts of absent household members who do not appear on the application from year to year, only household members that are removed in the middle of the current program year requirement collateral information.

MANUAL UPDATES PY2016

SECTION 400 INCOME SOURCES AND DOCUMENTATION

It is the household's responsibility to provide accurate documentation of income. It is the LSPs responsibility to assess the adequacy of that documentation and provide the applicant with a list of additional documentation needed to determine eligibility for benefits.

Intake staff will encounter various forms of income documentation, as described in § 402. The worker should use their judgment, with opinions from their supervisors, in accepting or rejecting specific forms of verification. **The LSP should indicate, in writing to the case file, the reason for accepting documentation that may be considered less than ideal.**

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506 INCOME EXCLUSIONS - NON-CASH BENEFITS

506.1 Employer Paid Benefits

Employer paid or union paid portion of health insurance or other employee fringe benefits are excluded as income.

This often includes mileage reimbursement.

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507 DRASTIC LOSS OF EARNED INCOME

If a household has a drastic change in income due to the sudden loss of earnings, within the three (3) months prior to application, the agency may use a projection as its basis for financial eligibility. The agency should use income calculations consistent with the income types referenced in Section 300. The income loss must be carefully documented.

For example, if the household has lost employment income, the verification would include: 1) a statement from the employer that the person's employment has been terminated permanently *and* 2) documentation that the person has applied for unemployment compensation.

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507 DRASTIC LOSS OF EARNED INCOME

Other considerations may include: If the household has lost employment income due to a medical condition that prohibits employment, within the three (3) months prior to the application, and there is documentation that the person has applied for disability or supplemental benefits.

This exclusion does *not* include losses from temporary or seasonal interruptions in employment, the difference between an individual's part-time wages and what the person would have received for full-time, regular self-employment business fluctuations, income losses while on a temporary layoff, income losses while on strike, or other temporary income fluctuations.

MANUAL UPDATES PY2016

507 DRASTIC LOSS OF EARNED INCOME

Only household members that meet the definition of this section may have their income determined “forward”. Other household members should have their income determined for the previous twelve (12) months.

The intent of this section is to assist households that are subject to plant or office closings or company downsizing that was unexpected.

MANUAL UPDATES PY2016

602.5 Correcting Transmittals

Supervisors or override users are the only users that have access to update information on the transmittal prior to submission to fiscal. The utility vendor may send corrections to a transmittal or batch of transmittals when they return the signature approval page. When those corrections are received, the supervisor or override user must go into the client's account in RIAA and update the account or benefit information as needed.

Once the transmittal has been submitted to fiscal, all changes must occur through the submission of additional transmittals or via overpayment remittances.

MANUAL UPDATES PY2016

605.2 Overpayments (Changed Last Year)

An overpayment occurs when it is found that a client was overpaid. These are funds that need to be returned to the program. The funds are removed from the client's account and returned to IHCD from the utility vendor if the error is detected within sixty (60) days of the application's initial approval or denial. If the overpayment is discovered after the aforementioned sixty (60) day timeline, the LSP will be required to make all repayments to IHCD.

The money is not due to the client, nor does it get added back into the agency's budget. Instead, the funds are used to fund other program activities. To collect these funds, agencies will submit an overpayment remittance in RIAA (formerly negative transmittal) as notification for payment. The utility vendor will send the payment along with the remittance to IHCD.

MANUAL UPDATES PY2016

605.2 Overpayments (Changed Last Year)

Note: Utility vendors have the option to decline the overpayment request because services and/or discounts have been rendered to clients. If utility vendors opt not to pay for overpayments or put charges back on clients' accounts, the agencies will be required to remit the funds back to IHCD from its private, corporate funds. IHCD will send a remittance for payment to the LSP.

LSPs cannot pay for negative adjustments to client benefits with federal funds (Leveraging, CSBG, or otherwise). Agencies must pay for the overpayments from their corporate unrestricted funds. Overpayments will be applied back to the block grant, not the individual agency's budget.

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Program Performance and Integrity

Indiana's Program Integrity Assessment requires: each LSP to complete Quality Assurance (QA) Reviews of no less than thirty percent (30%) of all EAP applications; all agencies must conduct a review within **forty-five (45) days** of the date of approval or denial for all identified client eligibility files; a review of each LSPs A-133 audit for findings related to LIHEAP, and social security number and income validation. During the annual program reviews, the monitor and/or monitoring consultants will ensure that all LSPs are compliant with these rules. The thirty percent (30%) should be maintained through the end of the program year. **LSPs can continue to correct all files and make changes in RIAA up to the end of the EAP program year (9/30).**

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Program Performance and Integrity

According to your annual grant agreement, each local service provider is required to obligate funds according to the following benchmarks. These rates are based on historical trends of the last three program years:

- Obligating forty-five percent (45%) of the Grantee's LIHEAP funding under this Agreement by December of the program year;
- Obligating sixty percent (60%) of the Grantee's LIHEAP funding under this Agreement by February of the program year; and
- Obligating seventy-five percent (75%) of the Grantee's LIHEAP funding under this Agreement by April of the program year.

Failure to meet these performance benchmarks may result in a reduction of your allocation during that program year. Those funds may be reallocated to other agencies that have met or exceeded the benchmark.

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Program Performance and Integrity

Each LSP must also ensure accurate fiscal reporting and maintain all records at least three years after the successful closeout of the program year.

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701.3 Zero Income Claimants

Households that declare no income are required to complete a *Zero Income Claimant Form* (located in Appendix R) for each member claiming zero income for the previous 12 months and document how their living expenses are met. In addition, each zero income claimant must support the claim with documentation from another social service or state program, like a wage inquiry from the Department of Workforce Development. **If there is no indication how a zero income household meets basic living expenses, then no EAP assistance should be offered.** This is not meant to disqualify a household with no income, but rather understand how such a household survives and if case management services would be appropriate.

Signed applications give the LSP permission to verify all reported information.

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702.1 Monitoring Process

IHCDA will pull at least three (3) percent of the LSPs client eligibility files and submit the files to the contract monitors for the review. Incomplete files may be part of the file review and should be marked accordingly including the reason why they are incomplete.

Notification of the visit will be sent at least 30 days prior to the visit. The LSP will receive the monitoring list of files according to the following schedule:

For LSPs whose file total is 500 or greater, they will be notified no more than fourteen (14) days prior to the review.

For LSPs whose file total is 499 or less, they will be notified no more than seven (7) days prior to the review.

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Monitoring

Completed by Engaging Solutions in conjunction with all IHCDA funded programs to reduce amount of onsite work for contractor, preparation work for LSP and to reduce cost of oversight.

- Individual Development Accounts
- Community Services Block Grant
- Weatherization
- Energy Assistance Program

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901.4 Client Re-Locating between Winter and Summer Programs

EAP client that change service areas before the start of the Summer Cooling Assistance Program will have their benefits processed at the agency where their winter benefits were approved.

If a client moves from the original LSPs area but still maintains the same utility vendor (including account numbers), the client must change their address with the utility vendor. No action is required by either LSP because the award will be applied to the correct account.

If a client moves to a new LSP including a new utility vendor, the client must contact the original LSP to update utility information. The client must supply the original LSP a new utility bill to confirm the client name, address and account number.

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APPEALS PROCEDURE

1101 APPLICABILITY

The Energy Assistance Program appeals procedure is required and must be communicated to households:

1. whose assistance has been denied; or,
2. whose application has not been processed in a timely manner and who has not received written notification of approval or denial within ten (10) days of the completed application; or,
3. whose benefit has not been received within sixty days (60) of utility pay.

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1102 APPEALS PROCEDURE

The Appeals Procedure begins at the local level with an informal process designed to settle most problems through a review of the facts and resolution of the issues. This process can include assistance from the Indiana Housing and Community Development Authority. If the informal process does not resolve the matter there is a subsequent process whereby the complainant may ultimately have a formal review of the matter.

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1302 WATER UNIVERSAL SERVICES PROGRAM (WATER USP)

The Water USP will provide a discount for all EAP customers who receive services from Citizens Energy Group (CEG). CEG's service territory covers Marion, Johnson, Boone, Hendricks and Morgan counties. CEG applied for the Water USP credits in July 2015. The program, if approved, will provide discounts to EAP customers beginning June 2016.

All LSPs are required beginning PY2016 to collect water account information from EAP applicants for the aforementioned service areas. CEG will communicate all water benefit information once the program begins. Client who are approved for EAP benefits will qualify in PY2017 for this program.

QUESTIONS

OTHER MANUAL TOPICS

Income Calculations – Day 2

Fraud, Waste and Abuse – Afternoon Session

QUESTIONS??

**For additional questions
about EAP,
please contact
Lynell Westbrook Gates
at lwestbrook@ihcda.in.gov
or
(317) 234-5303.**